

Exhibit A

Map Showing STC Property

EXHIBIT A
MATHILDA AVENUE

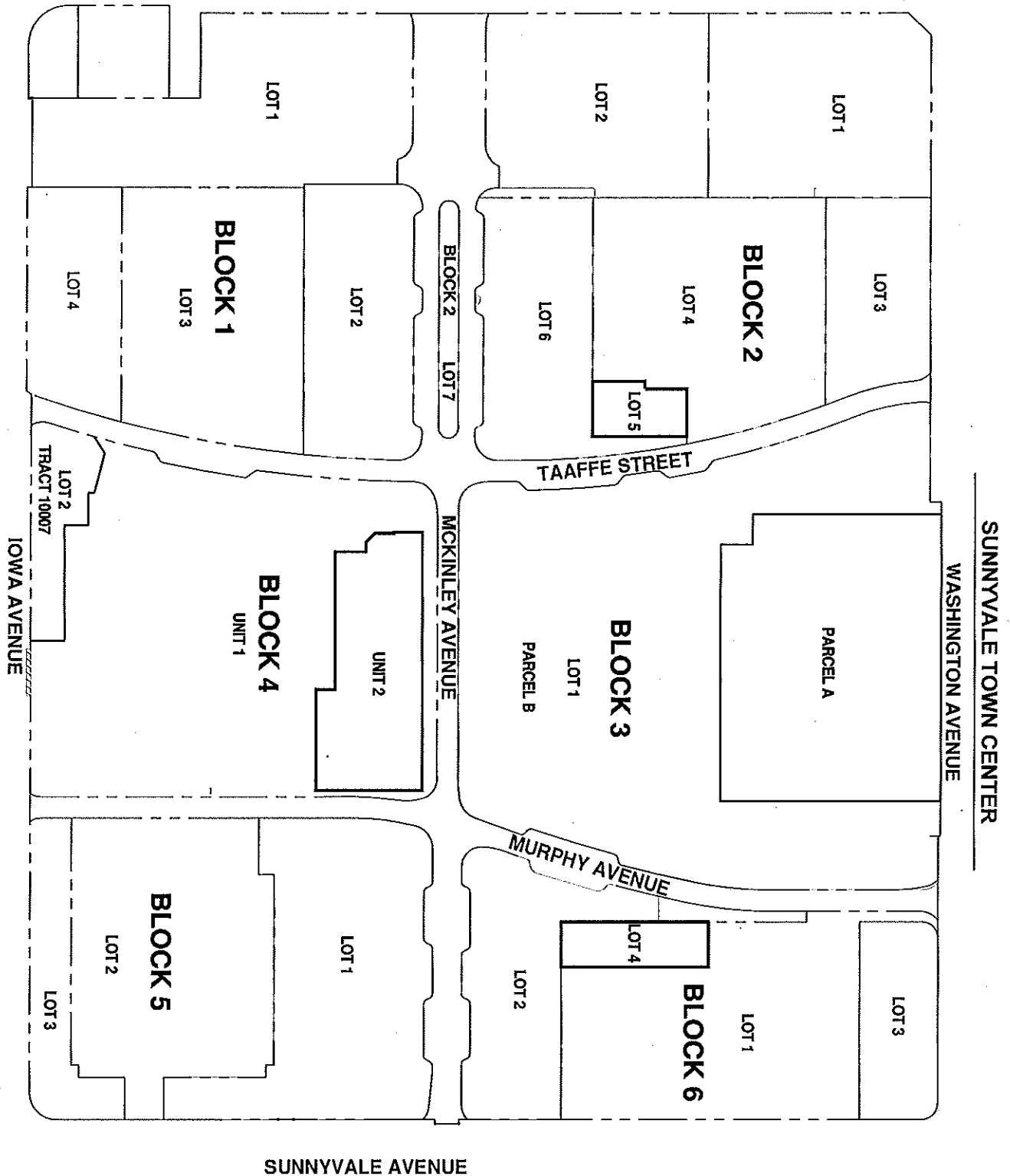


Exhibit B

Project Description

EXHIBIT B

Project Description

Project (all square footages are approximate and are located as generally depicted on Attachment B-1 hereto, as modified by the Minimum Project and the City Approvals)

Private Improvements

<u>Retail:</u>	634,000 SF
<u>Residential:</u>	292 units
<u>Office:</u>	315,000 SF
<u>Hotel:</u>	150,000 SF -- 200 room maximum

Public Improvements (as set forth in the City Approvals)

Minimum Project:

Private Improvements:¹ (all square footages are approximate and are located in the buildings below as generally depicted on Attachment B-2 hereto)

Retail:² 371,800 square feet of new buildings/space for retail use²

Building A ²	23,600 SF	in office building A
Building C ²	17,000 SF	in office building C
Building D	12,100 SF	in residential building D
Building E	37,700 SF	in residential building E
Building F	32,000 SF	in residential building F
Building N	38,100 SF	Target block
Building H	14,000 SF	Floor 1
	13,800 SF	Floor 2
Building I	19,500 SF	Floor 1
	10,500 SF	Floor 2
Building J	32,800 SF	Floor 1
	27,300 SF	Floor 2
Building L	20,700 SF	Floor 1
	14,000 SF	Floor 2

Retail (continued):

Building T³ 54,000 SF Theater at grade
4,700 SF

Residential: 198 residential units

50 units Building D
74 units Building E
74 units Building F

Office:² 273,000 SF for the exterior building shell for office use

133,000 SF Office Building A
140,000 SF Office Building C

Public Improvements:⁴

Parking

960 parking spaces (approx.) in Parking Facility A
1,688 parking spaces (approx.) in Parking Facility B

Other Improvements

Taaffe Street and McKinley Avenue
Murphy Street between Washington and McKinley
All public utilities and other Public Improvements under and west of Taaffe Street
Redwood Square (Private Improvement)
Slurry coating and restriping of surface parking lot, in its current configuration, on Block 6 of the STC.

¹ The foregoing square footages are established by the most current versions of documents listed below for each building:

- Bldg A: Plans by Kenneth Rodrigues & Partners titled Sunnyvale Town Center Block 2 Building A dated 9-16-08 Bulletin 3R.
- Bldg C: Plans by Kenneth Rodrigues & Partners titled Sunnyvale Town Center Block 2 Building C dated 9-16-08 Bulletin 3R.
- Bldg D: Plans by KTGy titled Sunnyvale Town Center Package D dated 9-30-08 Bulletin 8.
- Bldg E: Plans by KTGy titled Sunnyvale Town Center Package E dated 6-19-07 Bulletin 6.
- Bldg F: Plans by KTGy titled Sunnyvale Town Center Package F dated 9-30-08 Bulletin 8.
- Bldgs H, I, J & L: Plans by RTKL titled Sunnyvale Town Center Block 3 (Bldgs H/I/J/L) dated 9-22-08 1st Arch Bulletin.
- Bldg N: Condominium Plan for Lot 1 of Tract 10007, recorded October 30, 2008.
- Parking Facility A: Plans by Devcon & International Parking Design titled Sunnyvale Town Center Block 1 Parking Structure dated 9-17-08 Bulletin 6.

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- Parking Facility B: Plans by Devcon & International Parking Design titled Sunnyvale Town Center Block 2 Parking Structure dated 9-17-08 Bulletin 6.

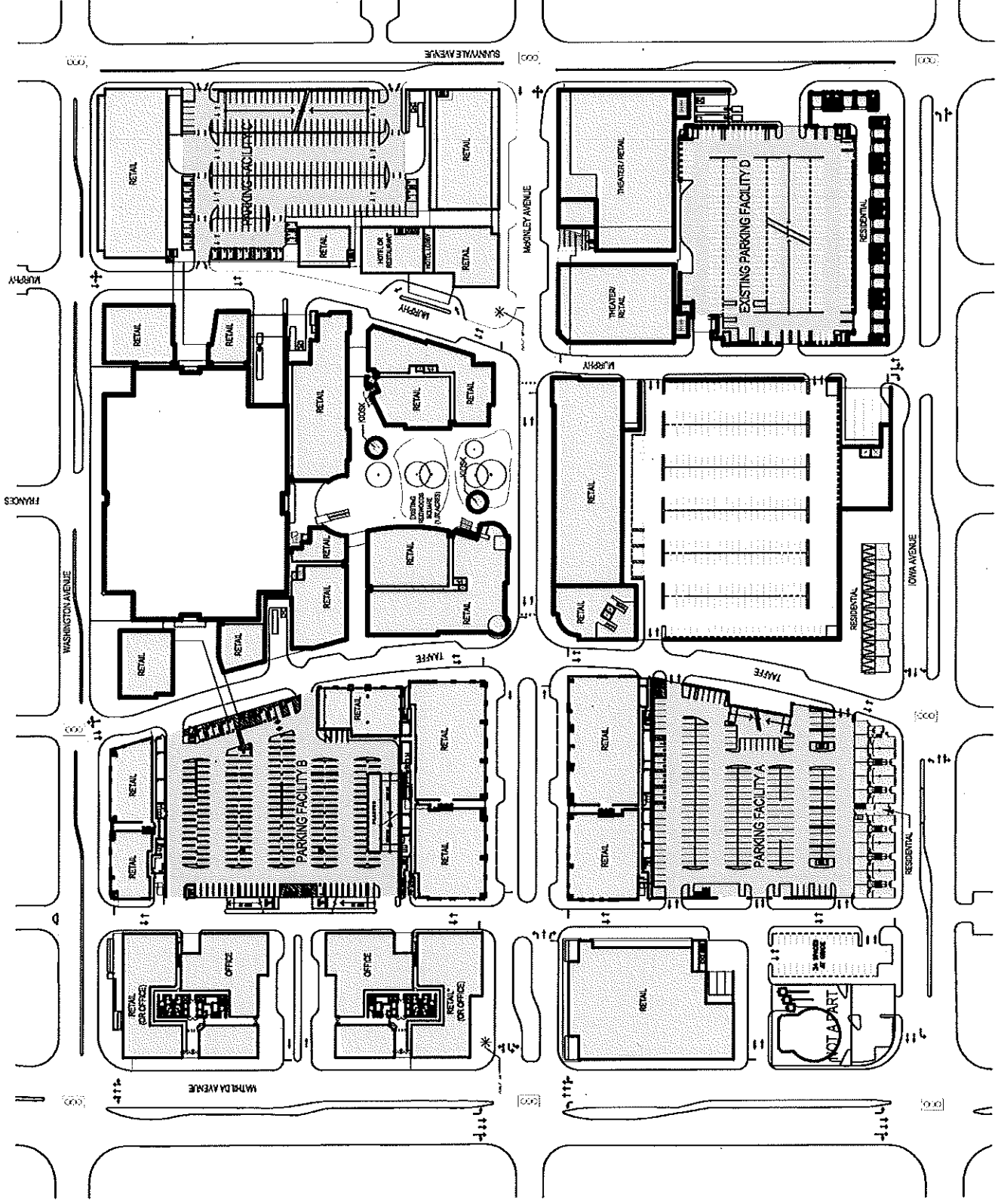
The parties acknowledge that the square footage of the uses constituting the Private Improvements vary between the ARDDOPA and some Related Documents, and as such, agree that the above square footage shall apply for the purposes of the Minimum Project.

² Subject to concomitant modification upon relocation of all or a portion of retail space within Building A or C (except for retail space fronting McKinley Avenue), or its conversion to office space or any other use which activates the pedestrian experience.

³ Exact square footage of the theater building uses is subject to modification pursuant to lease negotiations with theater operator.

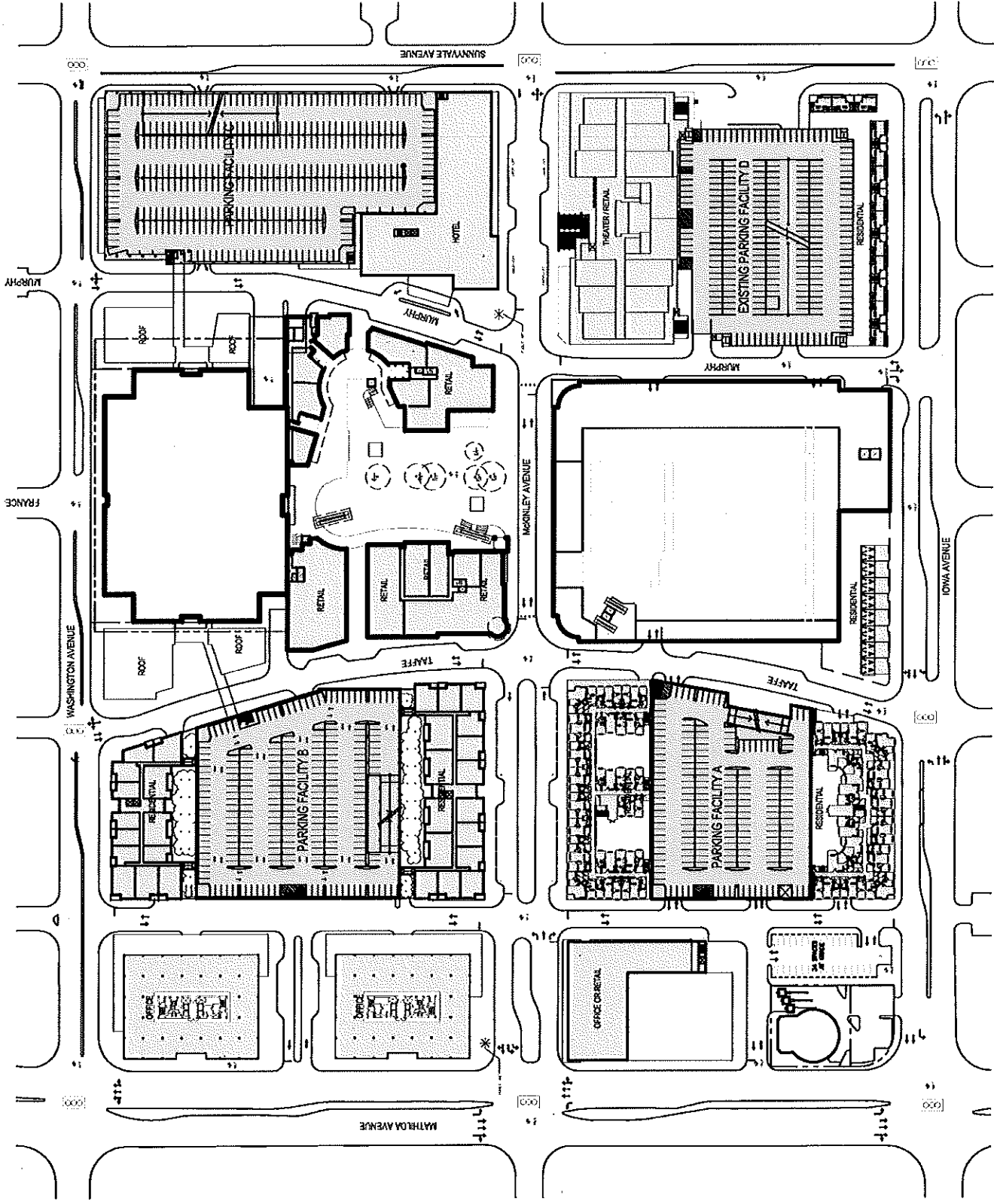
⁴ Includes all subterranean parking under office and residential buildings.

ATTACHMENT B-1 PROJECT (GROUND LEVEL)**



* RETAIL FRONTING MCKINLEY RETAINED, REMAINDER CONVERTIBLE TO OFFICE OR OTHER USE.
 ** AS MODIFIED BY THE CITY APPROVALS AND 2010 MODIFICATION AGREEMENT.

ATTACHMENT B-1 PROJECT (SECOND LEVEL)**



** AS MODIFIED BY THE CITY APPROVALS AND 2010 MODIFICATION AGREEMENT.

SUNNYVALE TOWN CENTER

Sunnyvale, CA

ATTACHMENT B-2 MINIMUM PROJECT

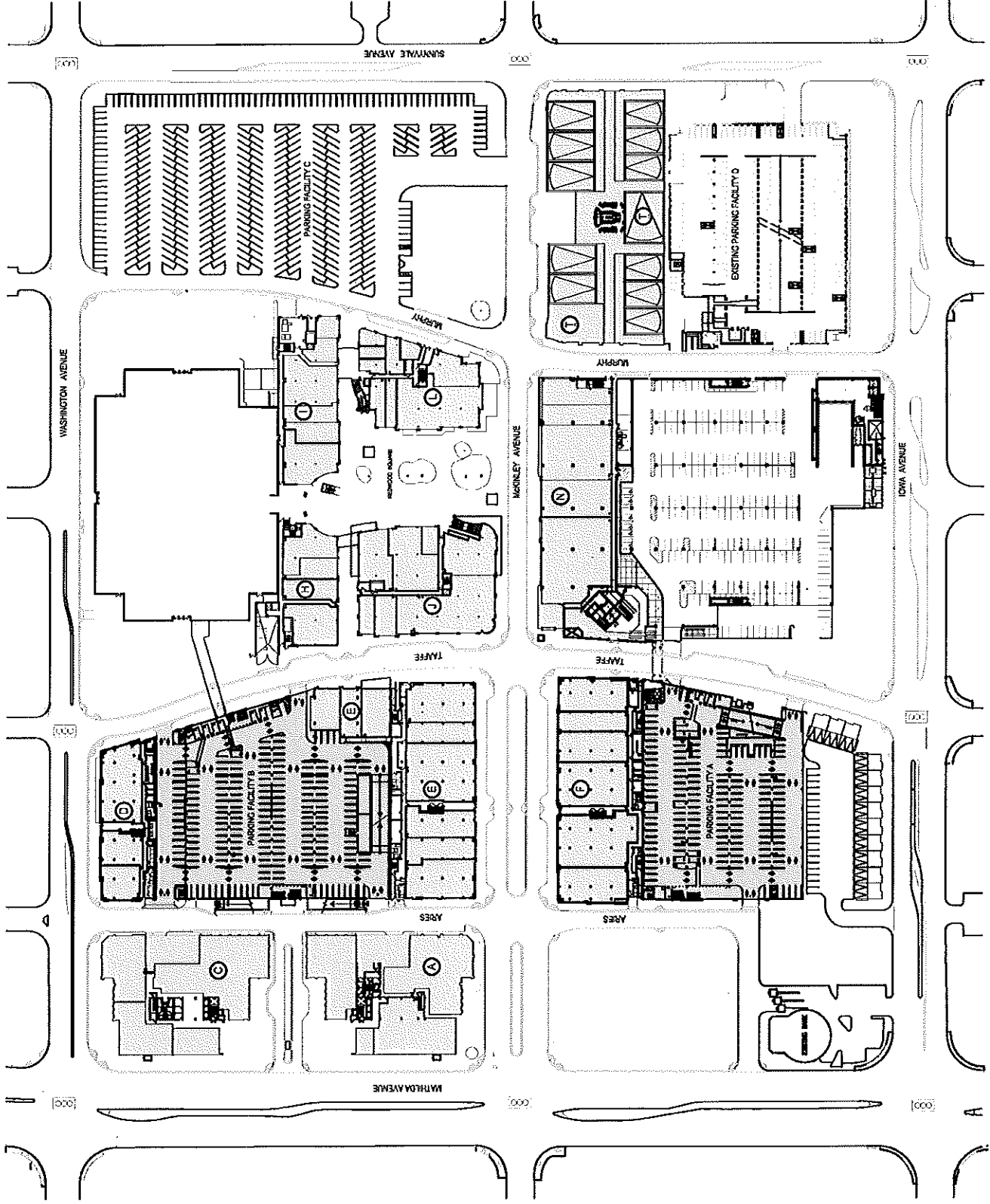


Exhibit C

Subdivision Agreement

Exhibit C

**Subdivision Agreement
for
Sunnyvale Town Center Subdivision
Dated September 28, 2007
As modified effective May 14, 2010**

The Subdivision Agreement sets out requirements for the installation of infrastructure improvements necessary for the subdivision shown on the Subdivision Map.

This modification implements the 2010 Modification Agreement as it relates to the Subdivision Agreement.

Accordingly, the parties acknowledge:

1. The security for performance and labor and materials contemplated by Section 3 has been provided for infrastructure improvements for the entirety of the Subdivision Map.

2. The construction phases on Exhibit B are no longer applicable because security has been posted for improvements in each phase, and improvements have been constructed, are under construction or to be constructed in accordance with Exhibit H to the 2010 ADDOPA. Completed infrastructure improvements include, but are not limited to, the Revised Developer Work and the Contingent Developer Work, except for minor punch list items, warranty items and the improvements within the areas designated as Area "L" on Exhibit A-2 to the Infrastructure Improvement Agreement.

3. The time limitations contemplated by Section 11 are replaced by those in Exhibit H to the 2010 ADDOPA.

To the extent the obligations of the Subdivider or the City or Agency as set forth herein have been modified by an approved building permit the Subdivision Agreement is hereby deemed updated to include such modifications. Except as modified above, all terms and conditions of the September 28, 2007 Subdivision Agreement remain in effect.

CITY OF SUNNYVALE, CALIFORNIA

SUBDIVISION AGREEMENT

**Sunnyvale Town Center Subdivision
Multiple Final Maps
SD-07-01**

THIS SUBDIVISION AGREEMENT (the "Agreement"), is made and entered into in the City of Sunnyvale, County of Santa Clara, State of California, this 28th day of September, 2007, by and between the City OF SUNNYVALE, a municipal corporation of the State of California (the "City"), and Downtown Sunnyvale Mixed Use, LLC, a Delaware Limited Liability Company (the "Subdivider").

RECITALS

This Agreement is entered upon the basis of the following facts, understandings and intentions of the City and the Subdivider:

A. Subdivider caused a filing of a vesting tentative map of a subdivision in an area bordered by Mathilda Avenue, Washington Avenue, Iowa Avenue and Sunnyvale Avenue in the City of Sunnyvale, and identified as Santa Clara County Assessor's Parcels numbered 209-34-009, 010, 015, 016, 017, 018 and 209-35-001, 005, 007, 010, 011 and 012 (the "Property") more particularly described on Exhibit A attached hereto. The subdivision is referred to on the map as Sunnyvale Town Center Subdivision (the "Subdivision").

B. The Property is within the area governed by the Redevelopment Plan for the Downtown Sunnyvale Redevelopment Project (the "Redevelopment Plan") adopted by Ordinance No. 1796-75 of the City Council of the City on November 26, 1975. The Property consists of several parcels owned, by the Sunnyvale Redevelopment Agency (the "Agency"), the City, Sun Town Center Properties, a California corporation (the "Macy's"), Target Corporation, a Minnesota corporation (the "Target") and the Subdivider.

C. On February 6, 2007, the City Council and the Agency jointly approved the AMENDED AND RESTATED DISPOSITION AND DEVELOPMENT AND OWNER PARTICIPATION AGREEMENT (the "ARDDOPA") for redevelopment of the Property for new retail, residential and office uses through demolition of existing shopping center improvements and construction of new public and private improvements, which is attached hereto and incorporated herein by reference.

D. On February 6, 2007, the City Council approved the Special Development Permit and Vesting Tentative Map on Permit #2007-0030.

E. On May 1, 2007, the City Council approved a Specific Plan Amendment and associated text amendments to Title 19 (Zoning) of the Sunnyvale Municipal Code and Downtown Specific Plan (DSP) for the addition of a new hotel with a maximum of 200 rooms and an increase in the maximum amount of allowed office square footage from 282,000 to 322,000 in DSP Block 18.

F. Subdivider has heretofore filed with the City a first Final Subdivision Map

(First Final Map) for the subdivision of the Property, and will file with the City subsequent multiple final maps at later dates. Subdivider will request the First Final Map and all subsequent final maps be approved by the City Council of the City on different dates.

G. Subdivider, by said First Final Map and any subsequent final maps, has offered and will offer for dedication to the City those certain streets, ways and easements as delineated thereon.

H. The City Council of the City will consider approval for said First Final Map and all subsequent final maps and accept the offers of dedication as shown thereon deemed appropriate on different dates. As a condition precedent to the City's acceptance of any offer of dedications of streets, ways or easements as shown on said First Final Map and all subsequent final maps, Subdivider agrees to improve said streets and easements and make and install certain other improvements within said Subdivision.

I. The approval of said First Final Map and any subsequent final maps is conditioned upon the execution by Subdivider of this Agreement;

NOW, THEREFORE, in consideration of the approval of said First Final Map and all subsequent final maps, and the acceptance of streets and easements therein, Subdivider and City agree as follows:

1. Improvements. Subdivider shall furnish, construct and install at Subdivider's own expense all improvements (as defined by California Government Code Sections 66419 (a) and (b)) deemed necessary for the First Final Map and all subsequent final maps, and as required by the final conditions of approval of the Special Development Permit and Vesting Tentative Map Permit #2007-0030 (the "Conditions of Approval"), including all improvements as shown on the City approved plans and specifications of said Subdivision. Subdivider agrees to install, repair, replace, restore, or rebuild all improvements as required by Title 18 of the Sunnyvale Municipal Code, or as subsequently amended. The improvements may be completed in two or more construction sequences. Scope of the improvements for each construction sequence shall be approved by the Director of Public Works.

2. Expense of Subdivider All improvements to be constructed and installed shall be performed at the expense of Subdivider, or as herein specified, and shall be performed in strict accordance with improvement plans therefore.

(a) City reimbursement to Subdivider: City will reimburse Subdivider based upon applicable Sunnyvale Municipal Code Sections, the Conditions of Approval, and provisions in the ARDDOPA upon the following conditions:

1) The provisions of the Sunnyvale Municipal Code Chapter 18.16 (or successor ordinance) have been met.

2) Subdivider, in seeking reimbursement, shall provide a written request to City with supporting documentation to justify the request for reimbursement for

excess oversizing of certain infrastructure. The City shall have 15 days to review and comment on the submittal. The City shall reimburse the amount not in dispute within 45 days after making a written determination of the merits of the request.

3) If any amount of the request for reimbursement remains in dispute, then the parties shall reserve the matter for dispute resolution as provided for under the AR DDOPA.

3. Improvement Security

(a) Subdivider shall furnish and deliver to the City, in accordance with the timeframes set forth herein, adequate and acceptable improvement security as required by Title 18 of the Sunnyvale Municipal Code, or as amended, for each construction sequence set forth in Exhibit B. For the First Final Map, Subdivider shall provide Improvement security for the Phase 1 and Phase 3A Improvements (as shown on the Final Map, Block 1 and Block 2 and public streets that serve them) in the amounts set forth in Exhibit C to secure the faithful performance of furnishing, constructing or installing the Phase 1 and 3A Improvements ("Faithful Performance") and for the payment to the contractor, his/her subcontractors and to all persons furnishing materials, provisions, provender, or other supplies, or equipment or teams to them and used in, upon, or about the improvements required to be furnished, constructed and installed in Phases 1 and 3A, or for performing any work or labor of any kind in, about or upon said improvements, and for the payment of amounts due under the Unemployment Insurance Act with respect to such work or labor in connection with the furnishing, constructing, or installing said improvements, and for payment of a reasonable attorney's fees to be fixed by the court in case suit is brought by the City ("Labor and Materials") for the Phase 1 and 3A Improvements required by Paragraph 1 above.

Prior to the issuance of a building permit for any construction within Blocks 3, 4, 5, or 6 as shown on the First Final Map, Subdivider shall provide improvement security for the Phase 2 and Phase 3B Improvements (Blocks 3, 4, 5, or 6 and the public streets that serve them) in the amounts to be determined at a later date to secure Faithful Performance and Labor and Materials for the Phase 2 and 3B Improvements required by Paragraph 1 above. The City may require the amount of the improvement security be adjusted annually based on the Engineering News Record Construction Price Index issued in May of each year, if improvements are not completed within the timeframes set forth in Paragraph 11. The amount of the improvement securities may be increased pursuant to Paragraph 4. The amount of improvement securities may be reduced by mutual agreement to reflect the completed improvements for which no further improvement security is required, provided however, if no agreement is achieved, then such reduction shall be made in conjunction with Section 3(b) below. Subdivider shall have an affirmative obligation to provide the City with evidence of valid security no later than September 30 of each year until all improvements required by Paragraph 1 have been constructed. Provided, however, that no legal action will be taken by the City based on this provision without prior written notice to the Subdivider.

(b) City shall partially release the security upon the partial performance of

the work required by Paragraph 1 above and receipt of an unconditional lien release on progress payment in accordance with the Sunnyvale Municipal Code in the discretion of the Director of Public Works. Final release of said security shall not occur until Subdivider has delivered to City the private improvement maintenance bond as described in paragraph 5 below. Partial releases shall not be approved more frequently than quarterly and shall be approved only when the release is in excess of twenty-five 25% of the security amount, subject to (c) below.

(c) Subdivider shall maintain a minimum of twenty-five percent (25%) of the faithful performance securities required by this Paragraph 3 for a period of one (1) year ("Warranty Period") upon completion and acceptance of all improvements required by Paragraph 1 above, against any defective work or labor done or defective materials as warranty security ("Warranty Security"). City shall release the Warranty Security upon expiration of the Warranty Period and settlement of any claims filed during the Warranty Period.

4. Adjustment of Bond Amounts. The amount of the securities under Section 3(a) is based upon the engineer's cost estimates dated September 12 and September 26, 2007, without City's approval on the improvement plans. Therefore, the amount is subject to adjustment as needed and as requested by the City as the project progresses. The Subdivider shall provide adequate amount of security within ten (10) business days upon City's written request.

5. Maintenance Security or Bond. Subdivider shall install and maintain all private streets, curbs, walkways, lighting systems, private sanitary sewer, water mains, and storm drains within all common and open areas, as well as continual maintenance of all landscaping and appurtenances. Adequate and acceptable maintenance security for the private improvements in the amount of Three Hundred Thousand Dollars (\$300,000) shall be furnished to guarantee the above-mentioned maintenance, including repair and replacement on an emergency basis, for a period commencing from the date of occupancy, or temporary occupancy upon the approval of the Director of Public Works, for a period of three years. Said security shall be delivered to the City upon the occupancy, or temporary occupancy, of any building (regardless of whether commercial, residential or office) as evidenced by a Certificate of Occupancy, or temporary occupancy, as the case may be. Said security shall remain in full force and effect even though the common areas have been transferred to another entity. If after a 15-day notice period, deficiencies are not corrected, the City shall have the right to demand that the corrections be made through the bonding company, or that funds held by financial institutions or escrow agents be released to the City. The City shall have the right to draw from and use any part of or the total of any cash deposit held by the City for the purpose of securing the performance of said maintenance.

6. Connection to Municipal Utilities. Subdivider agrees that execution of this Agreement constitutes an application for connection to any and all municipal utilities serving the project.

7. Indemnification and Insurance. Subdivider shall indemnify and hold

harmless City, its officers, employees, and agents from any and all liability, damages, claims, or causes of action for injury to person or persons, or damage to property which may arise out of, or occur by reason of the performance or work in furtherance of this Agreement by Subdivider, including all reasonable costs and reasonable attorney fees incurred in defending any claim arising as a result thereof.

8. Insurance Coverages. Concurrently with the acceptance of this Agreement, Subdivider shall furnish and deliver to City a certificate showing that Subdivider has such public liability and property damage insurance. Such policy shall be in an aggregate amount of at least Five Million Dollars (\$5,000,000.00) for the death or injury to any person or persons in any one accident or occurrence. Property insurance shall be standard all risk, in amounts not less than the full replacement value of the improvements. The certificate shall also show Workers' Compensation Insurance and Employer's Liability Insurance for all of Subdivider's employees. Said policy shall remain in full force and effect until this Agreement shall be fully performed and shall state by its terms or by an endorsement thereof that said policy shall not be canceled or changed until the City shall have at least thirty (30) days notice in writing of said cancellation or change.

A contractual liability endorsement shall be added to each insurance policy extending coverage to include the liability assumed in Paragraph 8 above. THE CITY AND THE AGENCY MUST BE NAMED AS AN ADDITIONAL INSURED. Coverages shall be primary insurance, and other insurance maintained by the City, its officers, agents and employees shall be excess only and not contributing.

9. Fees and Charges

(a) The following fees and charges have been paid:

(1)	Sanitary Sewer	
	a. Connection	\$ To be paid prior to any encroachment / building/ underground utility permit issuance
	b. Existing Sanitary Sewer Frontage Charge	\$ <u>No Charge</u>
(2)	Storm Drain Connection	\$ <u>No Charge</u>
(3)	Water	
	a. Connection	\$ To be paid prior to any encroachment / building/ underground utility permit issuance

			issuance
b.	Existing Water Main Frontage Charge	\$	No Charge
c.	Water Meters	\$	To be paid prior to any encroachment / building/ or underground utility permit issuance
d.	Tapping Fee	\$	To be paid prior to any encroachment / building/ or underground utility permit issuance
(4)	Fire Hydrants	\$	No Charge
(5)	Inspection and/or Engineering (to date) (Charges at \$50,000 plus 8.4% of estimated cost of improvements based upon engineer's cost estimates dated April, 2007 on file and subject to revision upon final cost estimates when improvement plans are approved for the entire site, and subject to any after hour plan check fees)	\$	674,132
(6)	Street Lighting System	\$	No Charge
(7)	Street Trees	\$	No Charge
(8)	Maintenance Deposit	\$	No Charge
(9)	Other: <u>First Final Map Fees</u> (Add fees for multiple final maps)	\$	6,312
		\$	
	TOTAL FEES AND CHARGES	\$	680,444

(b) Park Dedication In-Lieu fees for the residential units shown on a condominium map shall be paid prior to recordation of the condominium map for such residential units. City shall not approve the form of any residential Covenants, Conditions and Restrictions or Building Permits for Condominium Units prior to payment of the applicable Park Dedication In-Lieu fees.

10. Construction Yard and Lay Down Areas. Subdivider shall locate any

construction yard for the storage of equipment, vehicles, supplies and materials or the preparation or fabrication thereof, to be used in connection with the installation of improvements for said subdivision or the construction of buildings, therein, in such a manner so as to cause a minimum of inconvenience to persons living in the areas immediately adjacent to said subdivision, and to obtain the approval of the Director of Public Works for the proposed location of the yard. Immediately upon completion of the final building to be constructed in the subdivision, or unit thereof, to which this Agreement refers, Subdivider shall cease using the construction yard and to remove therefrom all supplies, materials, equipment, or vehicles being stored or kept thereon. Subdivider shall not use the construction yard in connection with the installation of improvements or construction of buildings in any other subdivision, or any other unit of the subdivision to which this Agreement refers. City may extend the time within which the construction yard may be used or within which supplies, materials, equipment or vehicles may be stored or kept thereon if City shall determine that the granting of such extension will not be detrimental to the public welfare. No extension of time will be made except on the basis of a written application made by Subdivider stating fully the grounds and facts relied upon it for such extension.

11. Time Limitations. Subdivider shall perform all of the work required by Phases 1 and 3A on or before eighteen (18) months from the effective date of this Agreement and Phase 2 and 3B, on or before eighteen (18) months from the date that the first building permit is issued for Block 3, 4, 5, or 6 provided, however, that City may extend the time within which City work and improvements shall be completed if City determines that the granting of such extension will not be detrimental to the public welfare. No extension will be made except on the basis of a written application made by Subdivider stating fully the grounds and facts for such extension. This Agreement may be extended for additional time periods of six months each.

12. Recorded Documents. Subdivider shall execute and record the "Public Street and Utility Maintenance Agreement" according to the terms and conditions set forth in the ARDDOPA.

13. City Immunity for Deviations from Street Standards. Subdivider has been informed by City that the Public Street Parcels as defined in the ARDDOPA and roadway geometry do not conform to City standards for public streets as required in other parts of the City, except as provided for in the Downtown Specific Plan, adopted by the City Council on October 14, 2003, and said Public Street roadways are designed in conformity with standards previously approved by the City of Sunnyvale, and which are intended to be consistent with the requirements of Government Code section 830.6. Said Public Streets do conform to general civil engineering practices.

14. Inspections. The Director of Public Works shall inspect all of the improvements made pursuant hereto to determine that they comply with all City regulations.

15. Workmanlike Manner During Construction. Subdivider agrees to keep and maintain all areas within public streets or public rights-of-way contiguous and adjacent to

the Subdivision, free and clear of all dirt, dust, mud, sand, gravel, rocks, bricks, stones, shingles, roofing material, lumber, tool sheds, construction buildings and other similar items at all times during the improvement and construction of the improvements required by Paragraph 1 above within said Subdivision.

16. Construction Mitigation Plan. Subdivider shall comply with the Sunnyvale Town Center Construction Mitigation Plan jointly approved by the City and Sunnyvale Redevelopment Agency on February 6, 2007, attached hereto and incorporated by reference. If Subdivider fails to comply with the requirement of the Construction Mitigation Plan, then City may exercise any or all of the remedies provided for therein.

17. Binding on Successors and Assigns. This Agreement shall inure to the benefit of and be binding upon the successors and assigns of the respective parties hereto.

18. Assignment Prohibited. This Agreement shall not be assigned without the prior written consent of the City. The City shall not unreasonably withhold or delay its consent to an assignment by Subdivider to its successor in interest of a Lot(s) of all of Subdivider's rights and obligations under this Agreement as such rights and obligations relate to the transferred Lot(s).

19. Memorandum of Agreement. Concurrently with recordation of the First Final Map, Subdivider shall execute and acknowledge a memorandum of this Agreement for recordation with the County Recorder in the form attached hereto as Exhibit "D". By recordation of this Agreement or a memorandum of this Agreement, it is the parties' intent to provide notice to future purchasers that the obligations, conditions and benefits set forth shall run with the land. City may record this Agreement or a memorandum if Subdivider fails to record a memorandum.

20. Operating and Reciprocal Easement Agreement. The parties currently are Parties to an existing Construction, Operating and Reciprocal Easement Agreement dated March 1978, as amended, ("OREA") and intend to enter into a new OREA with other landowners in the Downtown, specifically Target and Macy's, and this new OREA shall operate as a Declaration of Covenants, Conditions and Restrictions applicable to the Subdivision.

21. Covenant Agreements. The Subdivider is currently a party to a Covenant of Easement (pursuant to Government Code section 65871 and Sunnyvale Municipal Code section 18.40.1010) and Covenant to Reconvey for the reconveyance of the surface parcel defined by the dimensions of the airspace parcel as shown on Tract Map No. 9925, Block 6, Lot 4 as shown on Tract Map No. 9925, which agreements will be recorded following recordation of the First Final Map.

22. Temporary Traffic Signals. Subdivider shall provide a temporary LICENSE TO THE CITY OF SUNNYVALE for reconstruction, operation, repair, maintenance, replacement and enlargement of the traffic signal facilities, including, traffic signal poles, cabinets, conduits, loop detectors and all appurtenances ("Traffic Signal Facilities"), which two signals are currently located on Iowa Avenue at Murphy Avenue and Iowa Avenue at

Taaffe Avenue, upon the real property situated in the City of Sunnyvale, County of Santa Clara, State of California, located on Block 1 Lot 4, Block 4, Lot 1 and Block 5, Lot 3. Notwithstanding the foregoing, this TEMPORARY LICENSE SHALL BE TERMINABLE BY SUBDIVIDER FOLLOWING commencement of operation of traffic signal improvements to be erected BY SUBDIVIDER at the intersection of Iowa Avenue at Murphy Avenue and Iowa Avenue at Taaffe Avenue in the City of Sunnyvale, State of California AND, NOTWITHSTANDING ANYTHING TO THE CONTRARY HEREIN, SHALL BE DEEMED TO HAVE TERMINATED UPON THE REMOVAL OF SUCH TRAFFIC SIGNAL FACILITIES. SUBDIVIDER SHALL HAVE THE RIGHT TO RECORD A TERMINATION OF LICENSE FOLLOWING THE OCCURENCE OF THE EVENTS OF TERMINATION REFERRED TO HEREIN.

23. Miscellaneous Provisions.

(a) All modifications, amendments or waivers under this Agreement must be in writing and signed by the authorized representatives of the parties. In the case of City, the appropriate party shall be the City Manger and in the case of Subdivider, the appropriate party shall be Sand Hill Property Company.

(b) This Agreement shall be construed and interpreted according to California law, and any action to enforce the terms of this Agreement or for the breach thereof shall be brought and tried in the County of Santa Clara.

(c) Time is of the essence.

(d) The provisions of this Agreement are severable. If any portion is held invalid by a court of competent jurisdiction, the remainder of this Agreement shall remain in full force and effect.

(e) Each of the exhibits referenced in this Agreement is attached hereto and incorporated herein.

IN WITNESS WHEREOF, the City of Sunnyvale has caused this Agreement to be executed pursuant to the authority of Motion passed by the City Council of the City of Sunnyvale on the 21st day of August, 2007, and Subdivider has caused this Agreement to be executed the day and year first above written.

Downtown Sunnyvale Mixed Use, LLC,
a Delaware Limited Liability Company

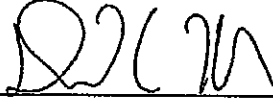
by: RREEF AMERICA REIT III CORP. MM,
a Maryland corporation,
Its Managing Member

by: 
Name: David M. Wilbur
Its: Vice-President

CITY OF SUNNYVALE
A Municipal Corporation


Amy Chan, City Manager

APPROVED AS TO FORM:



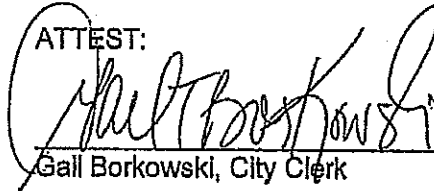
David E. Kahn, City Attorney

APPROVED AS TO CONTENT:



Marvin A. Rose, Director of Public Works

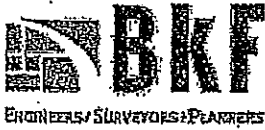
ATTEST:



Gail Borkowski, City Clerk

Subdivision Agreement

Exhibit "A"



September 26, 2007
BKF No. 20046002-32

Legal Descriptions
of
"Property"
Tract No. 9925
(Sunnyvale Town Center)

Lot 1, Block 1, Tract No. 9925

All that certain real property situate in the City of Sunnyvale, County of Santa Clara, State of California, described as follows:

Being all of Lot 1, Block 1, Tract No. 9925, entitled "Sunnyvale Town Center", filed _____, 2007 in Book ____ of Maps at Pages ____ through ____ inclusive, Records of Santa Clara County.

Lot 2, Block 1, Tract No. 9925

All that certain real property situate in the City of Sunnyvale, County of Santa Clara, State of California, described as follows:

Being all of Lot 2, Block 1, Tract No. 9925, entitled "Sunnyvale Town Center", filed _____, 2007 in Book ____ of Maps at Pages ____ through ____ inclusive, Records of Santa Clara County.

Lot 3, Block 1, Tract No. 9925

All that certain real property situate in the City of Sunnyvale, County of Santa Clara, State of California, described as follows:

Being all of Lot 3, Block 1, Tract No. 9925, entitled "Sunnyvale Town Center", filed _____, 2007 in Book ____ of Maps at Pages ____ through ____ inclusive, Records of Santa Clara County.

Lot 4 Block 1, Tract No. 9925

All that certain real property situate in the City of Sunnyvale, County of Santa Clara, State of California, described as follows:

Being all of Lot 4, Block 1, Tract No. 9925, entitled "Sunnyvale Town Center", filed _____, 2007 in Book ____ of Maps at Pages ____ through ____ inclusive, Records of Santa Clara County.

Lot 1, Block 2, Tract No. 9925

All that certain real property situate in the City of Sunnyvale, County of Santa Clara, State of California, described as follows:

Being all of Lot 1, Block 2, Tract No. 9925, entitled "Sunnyvale Town Center", filed _____, 2007 in Book ____ of Maps at Pages ____ through ____ inclusive, Records of Santa Clara County.

Lot 2, Block 2, Tract No. 9925

All that certain real property situate in the City of Sunnyvale, County of Santa Clara, State of California, described as follows:

Being all of Lot 2, Block 2, Tract No. 9925, entitled "Sunnyvale Town Center", filed _____, 2007 in Book ____ of Maps at Pages ____ through ____ inclusive, Records of Santa Clara County.

Lot 3, Block 2, Tract No. 9925

All that certain real property situate in the City of Sunnyvale, County of Santa Clara, State of California, described as follows:

Being all of Lot 3, Block 2, Tract No. 9925, entitled "Sunnyvale Town Center", filed _____, 2007 in Book ____ of Maps at Pages ____ through ____ inclusive, Records of Santa Clara County.

Lot 4, Block 2, Tract No. 9925

All that certain real property situate in the City of Sunnyvale, County of Santa Clara, State of California, described as follows:

Being all of Lot 4, Block 2, Tract No. 9925, entitled "Sunnyvale Town Center", filed _____, 2007 in Book ____ of Maps at Pages ____ through ____ inclusive, Records of Santa Clara County.

Lot 5, Block 2, Tract No. 9925

All that certain real property situate in the City of Sunnyvale, County of Santa Clara, State of California, described as follows:

Being all of Lot 5, Block 2, Tract No. 9925, entitled "Sunnyvale Town Center", filed _____, 2007 in Book ____ of Maps at Pages ____ through ____ inclusive, Records of Santa Clara County.

Lot 6, Block 2, Tract No. 9925

All that certain real property situate in the City of Sunnyvale, County of Santa Clara, State of California, described as follows:

Being all of Lot 6, Block 2, Tract No. 9925, entitled "Sunnyvale Town Center", filed _____, 2007 in Book ____ of Maps at Pages ____ through ____ inclusive, Records of Santa Clara County.

Lot 7, Block 2, Tract No. 9925

All that certain real property situate in the City of Sunnyvale, County of Santa Clara, State of California, described as follows:

Being all of Lot 7, Block 2, Tract No. 9925, entitled "Sunnyvale Town Center", filed _____, 2007 in Book ____ of Maps at Pages ____ through ____ inclusive, Records of Santa Clara County.

Lot 1, Block 3, Tract No. 9925

All that certain real property situate in the City of Sunnyvale, County of Santa Clara, State of California, described as follows:

Being all of Lot 1, Block 3, Tract No. 9925, entitled "Sunnyvale Town Center", filed _____, 2007 in Book ____ of Maps at Pages ____ through ____ inclusive, Records of Santa Clara County.

Lot 1, Block 4, Tract No. 9925

All that certain real property situate in the City of Sunnyvale, County of Santa Clara, State of California, described as follows:

Being all of Lot 1, Block 4, Tract No. 9925, entitled "Sunnyvale Town Center", filed _____, 2007 in Book ____ of Maps at Pages ____ through ____ inclusive, Records of Santa Clara County.

Lot 1, Block 5, Tract No. 9925

All that certain real property situate in the City of Sunnyvale, County of Santa Clara, State of California, described as follows:

Being all of Lot 1, Block 5, Tract No. 9925, entitled "Sunnyvale Town Center", filed _____, 2007 in Book ____ of Maps at Pages ____ through ____ inclusive, Records of Santa Clara County.

Lot 2, Block 5, Tract No. 9925

All that certain real property situate in the City of Sunnyvale, County of Santa Clara, State of California, described as follows:

Being all of Lot 2, Block 5, Tract No. 9925, entitled "Sunnyvale Town Center", filed _____, 2007 in Book ____ of Maps at Pages ____ through ____ inclusive, Records of Santa Clara County.

Lot 3, Block 5, Tract No. 9925

All that certain real property situate in the City of Sunnyvale, County of Santa Clara, State of California, described as follows:

Being all of Lot 3, Block 5, Tract No. 9925, entitled "Sunnyvale Town Center", filed _____, 2007 in Book ____ of Maps at Pages ____ through ____ inclusive, Records of Santa Clara County.

Lot 1, Block 6, Tract No. 9925

All that certain real property situate in the City of Sunnyvale, County of Santa Clara, State of California, described as follows:

Being all of Lot 1, Block 6 Tract No. 9925, entitled "Sunnyvale Town Center", filed _____, 2007 in Book ____ of Maps at Pages ____ through ____ inclusive, Records of Santa Clara County.

Lot 2, Block 6, Tract No. 9925

All that certain real property situate in the City of Sunnyvale, County of Santa Clara, State of California, described as follows:

Being all of Lot 2, Block 6, Tract No. 9925, entitled "Sunnyvale Town Center", filed _____, 2007 in Book ____ of Maps at Pages ____ through ____ inclusive, Records of Santa Clara County.

Lot 3, Block 6, Tract No. 9925

All that certain real property situate in the City of Sunnyvale, County of Santa Clara, State of California, described as follows:

Being all of Lot 3, Block 6, Tract No. 9925, entitled "Sunnyvale Town Center", filed _____, 2007 in Book ____ of Maps at Pages ____ through ____ inclusive, Records of Santa Clara County.

Lot 4, Block 6, Tract No. 9925

All that certain real property situate in the City of Sunnyvale, County of Santa Clara, State of California, described as follows:

Being all of Lot 4, Block 6, Tract No. 9925, entitled "Sunnyvale Town Center", filed _____, 2007 in Book ___ of Maps at Pages ___ through ___ inclusive, Records of Santa Clara County.

This description was prepared by me or under my direction.

For: BKF Engineers

MB Parissenti

Martin B. Parissenti, P.E., No. CE 030747

License expires 3-30-2008

9.25.07

Dated



Exhibit B
Subdivision Agreement

Construction Sequence

Phase 1

Taaffe Street (from Washington Avenue to Iowa Avenue) and
McKinley Avenue (from Mathilda Avenue to Taaffe Street)

Phase 2

Murphy Avenue (from Washington Avenue to Iowa Avenue) and
McKinley Avenue (from Taaffe Street to Sunnyvale Avenue)

Phase 3A

Washington Avenue (from Mathilda Avenue to Taaffe Street),
Mathilda Avenue (from Washington Avenue to Iowa Avenue) and
Iowa Avenue (from Mathilda Avenue to Taaffe Street)

Phase 3B

Washington Avenue (from Taaffe Street to Sunnyvale Avenue),
Sunnyvale Avenue (from Washington Avenue to Iowa Avenue) and
Iowa Avenue (from Taaffe Street to Sunnyvale Avenue)

Exhibit C

**Sunnyvale Town Center
Tract No. 9925
SD-07-01**

Tabulation of Bond Amount prior to First Final Map recordation

Based Upon BKF Engineers Estimates (As of 9/26/07)

**Phase 1 - McKinley (from Mathilda to Taaffe)
and Taaffe (from Washington to Iowa)**

Utilities	\$3,166,652.50
Roadway	\$646,392.50
Streetscape	\$1,621,015.00
<u>Sub-total</u>	<u>\$5,434,060.00</u>

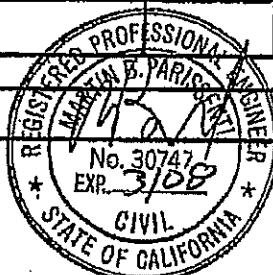
**Phase 3A - Mathilda (from Washington to
Iowa), Washington (from Mathilda to Taaffe)
and Iowa (from Mathilda to Taaffe)**

Utilities	\$398,900.00
Roadway	\$2,797,120.00
Streetscape	\$423,227.50
<u>Sub-total</u>	<u>\$3,619,247.50</u>

Total	\$9,053,307.50
Bond Amount	\$9,053,000.00

Exhibit B - Phase 1

COST ESTIMATE					
BKF ENGINEERS		SUNNYVALE TOWN CENTER			
Job Name: Sunnyvale Town Center - Phase 1		Phase 1 Utilities		09/12/2007	
Job Number: 20046002		TOTAL COST			
Item No.	Description	Quantity	Units	Unit Cost, \$	Total Cost, \$
1	Demolition	1	LS	100,000.00	100,000.00
2	Mobilization	1	LS	10,000.00	10,000.00
3	Earthwork	3,000	CY	6.00	18,000.00
4	Traffic Control	1	LS	21,000.00	21,000.00
5	Erosion Control	1	LS	20,000.00	20,000.00
6	Install SD Catch Basin	19	EA	1,883.00	35,777.00
7	Storm Drain MH	17	EA	6,200.00	105,400.00
8	Storm Water Treatment Unit	1	EA	42,560.00	42,560.00
9	Install 12" RCP SD line	580	LF	132.00	76,560.00
10	Install 15" RCP SD line	0	LF	147.00	0.00
11	Install 18" RCP SD line	594	LF	151.00	89,694.00
12	Install 24" RCP SD line	0	LF	84.00	0.00
13	Install 30" RCP SD line	1,433	LF	250.00	358,250.00
14	Install 12" PVC SD line	20	LF	132.00	2,640.00
15	Install 8" PVC SD line	270	LF	100.00	27,000.00
16	Install 12" Water line	1,940	LF	126.00	244,440.00
17	Install 8" Water line	320	LF	126.00	40,320.00
18	Install 6" Water line	340	LF	127.00	43,180.00
19	Install 4" Water Line	350	EA	120.00	42,000.00
20	Install Water Valve	59	EA	2,500.00	147,500.00
21	Install Fire Hydrant	9	EA	6,013.00	54,117.00
22	Joint Trench line	5,840	LF	100.00	584,000.00
23	6" Sanitary Sewer	280	LF	141.00	39,480.00
24	8" Sanitary Sewer	1,717	LF	140.00	240,380.00
25	10" Sanitary Sewer	652	LF	162.00	105,624.00
26	12" Sanitary Sewer	0	LF	321.00	0.00
27	Sanitary Sewer MH	14	EA	6,100.00	85,400.00
28	Water Meters	26	EA	2,000.00	52,000.00
29	Sanitary Sewer Cleanouts	20	EA	200.00	4,000.00
30	Subtotal				2,533,322.00
				Contingency 25%	633,330.50
TOTAL COST					3,166,652.50



Completed as of 9/10/07

COST ESTIMATE

09/12/2007

REGISTERED PROFESSIONAL ENGINEER
R. PARISENTI
No. 10747
EXP. 3/08
CIVIL
STATE OF CALIFORNIA

Exhibit B – Phase 1

COST ESTIMATE

BKF ENGINEERS SUNNYVALE TOWN CENTER PHASE 1-STREET SCAPe COST ESTIMATE

09/12/2007

Job Name: Sunnyvale Town Center - Phase 1

Job Number: 20046002

					Total	
Item No.	Description	Quantity	Units	Unit Cost, \$	Total Cost, \$	
1	Demolition	1	LS	5,000.00	5,000.00	
2	Traffic Control	1	LS	10,000.00	10,000.00	
3	Mobilization	1	LS	20,000.00	20,000.00	
4	Clearing and Grubbing	1	LS	5,000.00	5,000.00	
5	Sidewalk Paving With 4' tree Grate Non-Monolithic Sidewalk - DT1	46,598	SF	6.00	279,588.00	
6	DNTN Perpendicular Curb Ramp Non-Monolithic Sidewalk-DT5 and Perpendicular Curb Ramp Extra Wide Sidewalk - 13C-1	35	EA	1,000.00	35,000.00	
7	Tree Wells (Includes Hardware) - DT1	46	EA	2,000.00	92,000.00	
8	Single Head Street Lights (Includes pull box, conduit and service lines) DT11	29	EA	6,240.00	180,960.00	
9	Twin Head Street Lights (Includes pull box, conduit and service lines) DT12	48	EA	7,200.00	345,600.00	
10	Landscaping-Planters-Irrigation (Includes Median Landscaping)	1	LS	134,300.00	134,300.00	
11	Trees (Not in tree wells)	69	EA	1,280.00	88,320.00	
12	Driveways	1,152	SF	7.00	8,064.00	
13	Structural Soil	682	CY	50.00	34,100.00	
14	Trees in Tree Wells	46	EA	1,280.00	58,880.00	
	Subtotal				1,296,812.00	
					Contingency 25%	324,203.00
TOTAL COST					1,621,015.00	

Exhibit B - Phase 3A

PHASE I EXTERIOR STREET IMPROVEMENT-IOWA-MATHILDA-WASHINGTON					
BKF ENGINEERS STREET SCAPE COST ESTIMATE					
Job Name: Sunnyvale Town Center				09/26/2007	
Job Number: 20046002					
Item No.	Description	Quantity	Units	Unit Cost, \$	Total Cost, \$
1	Demolition	1	LS	0.00	0.00
2	Traffic Control	1	LS	0.00	0.00
CONCRETE					
1	Sidewalk Paving With 4' tree Grate Non-Monolithic Sidewalk - Per Detail DT1	19,702	SF	8.00	157,616.00
2	Driveway	138	SF	7.00	966.00
3	DNTN Perpendicular Curb Ramp Non-Monolithic Sidewalk-Per Detail DT5	14	EA	800.00	11,200.00
4	Perpendicular Curb Ramp Extra Wide Sidewalk - Per Detail 13C-1	13	EA	800.00	10,400.00
5	Parallel Curb Ramp Monolithic Sidewalk - Per Detail 13C-2	10	EA	800.00	8,000.00
LANDSCAPING					
1	Tree Wells (Includes Grate) - DT1	32	EA	1,500.00	48,000.00
2	Street Trees 24" Box	32	EA	700.00	22,400.00
ELECTRIC					
1	Twin Head Street Lights (Includes pull box, conduit and service lines) - Per Detail DT12	32	EA	2,500.00	80,000.00
	Subtotal				338,582.00
				Contingency 25%	84,645.50
TOTAL COST					423,227.50

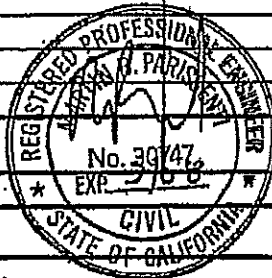


Exhibit B – Phase 3A

PHASE I EXTERIOR STREET IMPROVEMENT-IOWA-MATHILDA-WASHINGTON					
BKF ENGINEERS		STREET COST ESTIMATE			
Job Name: Sunnyvale Town Center				09/26/2007	
Job Number: 20046002					
Item No.	Description	Quantity	Units	Unit Cost, \$	Total Cost, \$
1	Demolition	1	LS	90,000.00	90,000.00
2	Traffic Control	1	LS	10,000.00	10,000.00
3	Mobilization	1	LS	5,000.00	5,000.00
CONCRETE					
1	Curb	74	LF	25.00	1,850.00
2	Curb and Gutter	1,704	LF	12.00	20,448.00
3	DNTN Crosswalk Paving on Concrete Base-Per Detail DT9	16,116	SF	14.00	225,624.00
SIGNING AND STRIPING					
1	Striping/Signage/Pavement Markers	1	LS	15,000.00	15,000.00
PAVING					
1	Asphalt Concrete Paving (4" AC/15"AB)	11,629	SF	6.00	69,774.00
TRAFFIC SIGNAL					
1	Washington/Mathilda Traffic Signal	1	LS	450,000.00	450,000.00
2	Washington/Taaffe Traffic Signal	1	LS	450,000.00	450,000.00
3	Mathilda/McKinley Traffic Signal	1	LS	450,000.00	450,000.00
4	Mathilda/Iowa Traffic Signal	1	LS	450,000.00	450,000.00
Subtotal					2,237,696.00
Contingency 25%					559,424.00
TOTAL COST					2,797,120.00

Exhibit B – Phase 3A

PHASE I EXTERIOR STREET IMPROVEMENT-IOWA-MATHILDA-WASHINGTON					
BKF ENGINEERS		UTILITIES COST ESTIMATE			
Job Name: Sunnyvale Town Center				09/26/2007	
Job Number: 20046002					
Item No.	Description	Quantity	Units	Unit Cost, \$	Total Cost, \$
1	Demolition	1	LS	5,000.00	5,000.00
3	Traffic Control	1	LS	5,000.00	5,000.00
4	Erosion Control	1	LS	2,000.00	2,000.00
STORM DRAIN					
1	6" SS Line	199	LF	141.00	28,059.00
2	Install SD Catch Basin	4	BA	1,500.00	6,000.00
3	Storm Drain MH	5	BA	3,000.00	15,000.00
4	Storm Drain Cleanouts	4	BA	200.00	800.00
5	Install 8" RCP SD Line	207	LF	130.00	26,910.00
6	Install 12" RCP SD Line	941	LF	130.00	122,330.00
7	Install Pre-Cast Hood Inlet "Only"	1	BA	300.00	300.00
WATER					
1	Install 12" Water line	180	LF	130.00	23,400.00
2	Install 8" Water line	43	LF	110.00	4,730.00
3	Install 6" Water line	67	LF	100.00	6,700.00
4	Install Water Valve	8	BA	2,500.00	20,000.00
5	2" Domestic Water Lines	40	LF	100.00	4,000.00
6	Install Fire Hydrant	7	BA	6,013.00	42,091.00
7	Water Meters	3	BA	2,000.00	6,000.00
8	12" to 10" Reducer	1	BA	800.00	800.00
Subtotal					319,120.00
Contingency 25%					79,780.00
TOTAL COST					398,900.00